

## **Logan County**

## Estimated Economic Contribution of Agriculture, Food, and Food Processing Sectors 6/27/2019

Using the most recent IMPLAN data available (2017) adjusted for 2019, 13 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Logan County economy.<sup>1</sup>

These 13 sectors have a total direct output of approximately \$75.3 million and support 407 jobs in Logan County. Running the model for all 13 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Logan County Economy							
Contribution Type <sup>2</sup>	Employment	% Employment	Total Value Added <sup>3</sup>	Total Value Added % of Gross Regional Product <sup>4</sup>	Output <sup>5</sup>		
Direct Effect	407.1	18.97%	\$15,016,925	13.46%	\$75,320,601		
Indirect Effect	78.3	3.65%	\$6,917,645	6.20%	\$13,290,189		
Induced Effect	34.1	1.59%	\$2,138,796	1.92%	\$4,128,357		
Total Effect	519.5	24.21%	\$24,073,366	21.58%	\$92,739,147		

As shown in the above table, agriculture, food, and food processing sectors support **520 jobs**, or **24.21%** of the entire workforce in the county.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 13 agriculture, food, and food processing sectors is approximately \$24.1 million, or 21.58% of the GRP.

The following tables document the top industries affected by employment and output, as well as a listing of all industries that were analyzed.

1 Article on building a contribution analysis in IMPLAN that avoids double counting: <a href="https://implanhelp.zendesk.com/hc/en-us/articles/115002801513-Considerations-of-Contribution-Analysis">https://implanhelp.zendesk.com/hc/en-us/articles/115002801513-Considerations-of-Contribution-Analysis</a>

2 Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

3 Value added = labor income + indirect business taxes + other property type income.

4 GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

5 Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **202 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Logan County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment				
Sector	Total Employment	Total Output		
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	202.3	\$26,283,251		
Grain farming	104.1	\$41,078,892		
Commercial hunting and trapping	30.4	\$28,973		
Wholesale trade	27.4	\$5,796,280		
Support activities for agriculture and forestry	22.4	\$1,772,928		
Real estate	19.2	\$1,564,211		
Animal production, except cattle and poultry and eggs	17.0	\$2,094,784		
All other crop farming	12.4	\$1,033,164		
Veterinary services	8.7	\$740,774		
Truck transportation	6.0	\$1,370,426		

The grain farming sector directly contributes approximately **\$41.1 million** to the Logan County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output				
Sector	Total Employment	Total Output		
Grain farming	104.1	\$41,078,892		
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	202.3	\$26,283,251		
Wholesale trade	27.4	\$5,796,280		
Animal production, except cattle and poultry and eggs	17.0	\$2,094,784		
Support activities for agriculture and forestry	22.4	\$1,772,928		
Real estate	19.2	\$1,564,211		
Truck transportation	6.0	\$1,370,426		
Owner-occupied dwellings	0.0	\$1,052,566		
All other crop farming	12.4	\$1,033,164		
Oilseed farming	0.9	\$1,017,431		

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Logan County economy.

All Agriculture, Food, and Food Processing Sectors				
Sector	Total Employment	Total Output		
Oilseed farming	0.9	\$1,017,430.66		
Grain farming	104.1	\$41,078,891.75		
Greenhouse, nursery, and floriculture production	3.1	\$337,561.13		
All other crop farming	12.4	\$1,033,163.55		
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	202.3	\$26,283,250.81		
Poultry and egg production	0.0	\$6,846.14		
Animal production, except cattle and poultry and eggs	17.0	\$2,094,784.26		
Commercial hunting and trapping	30.4	\$28,973.02		
Support activities for agriculture and forestry	22.4	\$1,772,928.48		
Bread and bakery product, except frozen, manufacturing	4.1	\$447,887.72		
Frozen cakes and other pastries manufacturing	0.1	\$15,949.61		
Farm machinery and equipment manufacturing	1.5	\$462,159.43		
Veterinary services	8.7	\$740,773.98		

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Logan County, the retail sector was omitted.